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(A)

UP 4-14-04

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**ANNUAL AUDITED REPORT  
FORM X-17A-5 (A)  
PART III**

SEC FILE NUMBER
8- 52158

**FACING PAGE  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/03 AND ENDING 12/31/03  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: <u>V.F.I.C. SECURITIES, INC.</u>	OFFICIAL USE ONLY
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) <u>1022 OLD VALLEY FORGE ROAD</u>	FIRM I.D. NO.
(No. and Street)	
<u>KING OF PRUSSIA</u> <u>PA</u> <u>19406</u>	
(City) (State) (Zip Code)	

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Edward M. McLean Jr. 610-783-6650  
(Area Code - Telephone Number)

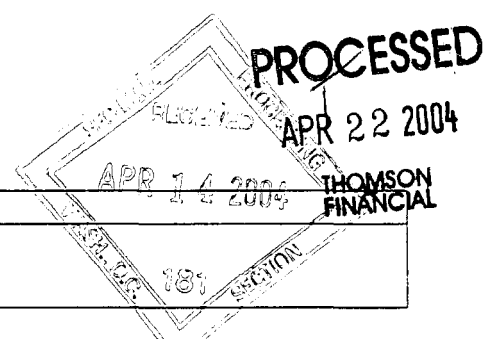
**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

HEGE KRAMER CONUELL MURPHY & GOLDKAMP, P.C.  
(Name - if individual, state last, first, middle name)

2010 GIBRALTAR RD SUITE 129 Horsesham PA 19444  
(Address) (City) (State) (Zip Code)

- CHECK ONE:
- ☒ Certified Public Accountant
  - ☐ Public Accountant
  - ☐ Accountant not resident in United States or any of its possessions.



<b>FOR OFFICIAL USE ONLY</b>

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

*[Handwritten signature]*

### OATH OR AFFIRMATION

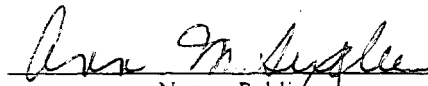
I, Edward M. McLEAN JR, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of VFIC SECURITIES INC., as of 12/31, 2003, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

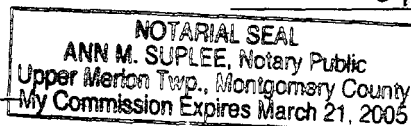
Sworn to and subscribed before me  
this 12th day of April 2004.

  
Signature

CFO

Title

  
Notary Public



This report \*\* contains (check all applicable boxes):

- ☐ (a) Facing Page.
- ☐ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☐ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



VFIC Securities, inc.

1022 Old Valley Forge Road  
King of Prussia, PA 19406  
Telephone: (610) 783-6650  
Fax: (610) 783-0729  
[www.VFIG.com](http://www.VFIG.com)

April 8, 2004

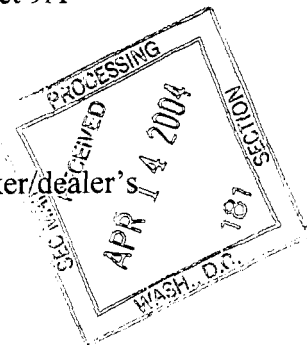
Securities and Exchange Commission  
450 5<sup>th</sup> Street, NW  
Washington, DC 20549

AnnMarie McGarrigle  
Supervisor of Examiners  
NASD Regulation, Inc. District 9A  
11 Penn Center, Suite 1900  
1835 Market St  
Philadelphia, PA 19103

Securities and Exchange Commission  
Curtis Center, Suite 1120 E  
601 Walnut Street  
Philadelphia, PA 19106-3322

Jean Marie Farkas  
Compliance Examiner  
NASD Regulation, Inc. District 9A  
11 Penn Center, Suite 1900  
1835 Market St.  
Philadelphia, PA 19103

RE: Reconciliation of the audited Computation of Net Capital and the broker/dealer's  
corresponding Unaudited Part IIA  
SEC Registration Number 8-52158  
NASD Registration Number 103160



Ladies and Gentlemen:

I am writing in response to AnnMarie McGarrigle's letter of April 2, 2004 to provide a reconciliation of the audited Computation of Net Capital and the broker/dealer's corresponding Unaudited Part IIA.

Enclosed please find this reconciliation and Annual Audited Report Form X-17A-5 Part III.

Please call me at (610) 783-6650 if you have any additional questions.

Sincerely,

VFIC SECURITIES, INC.

Edward M. McLean, Jr.  
Branch office  
Chief Financial Officer  
1248 W. Main Street, Suite 12

Ephrata, PA 17522  
cc: Mr. Thomas Goldkamp  
Telephone: (717) 626-6689  
Fax: (717) 626-9502

Branch office

183 E. Water Street  
Muncy, PA 17756

Telephone: (570) 546-8073  
Fax: (570) 546-8076

Branch office

Radnor Station Building One  
290 King of Prussia Road  
Radnor, PA 19087-5174  
Telephone: (610) 254-9954  
Fax: (610) 254-9958

VFIC Securities, Inc.  
CRD # 103160  
SEC # 8-52158

Reconciliation of the audited Computation of Net Capital and the broker/dealer's  
corresponding Unaudited Part II A

Item	As per original Part IIA Quarterly 17a-5(a)	As per Audited Report	Difference	Explanation
Total ownership equity from Statement of Financial Condition	\$23,519.00	\$25,272.00	(\$1,753.00)	decrease in expenses
Nonallowable Assets:				
Investment	(\$6,500.00)	(\$6,500.00)		
Prepaid Expenses	(\$9,480.00)	(\$12,900.00)	\$3,420.00	increase in prepaid taxes
10. Net Capital	\$7,539.00	\$5,872.00	\$1,667.00	see above

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

11. Minimum net capital required (6-2/3% of line 19)	\$3,334.00	\$3,298.00
12. Minimum dollar net capital in accordance with Note A	\$5,000.00	\$5,000.00
13. Net Capital requirement (greater of 11 or 12)	\$5,000.00	\$5,000.00
14. Excess net capital (line 10 less 13)	\$2,539.00	\$872.00
15. Excess net capital at 1000% (line 10 less 10% of line 19)		

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A. I. liabilities from Statement of Financial Condition	\$50,021.00	\$49,476.00	\$545.00	decrease in A/P
17. Additions	\$0.00	\$0.00		
19. Total aggregate indebtedness	\$50,021.00	\$49,476.00		
20. Percentage of aggregate indebtedness to net capital (line 19 / line 10)	663.50%	842.57%		